

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS**

In re:)	Chapter 11
LINC USA GP, <i>et al.</i> ¹)	Case No. 16-32689 (DRJ)
Debtors.)	(Jointly Administered)

**NOTICE OF SELECTION OF SUCCESSFUL BID AND BACK-UP BID
AT AUCTION FOR DEBTORS' LOT OF WYOMING ASSETS**

PLEASE TAKE NOTICE that pursuant to the *Order Approving Bidding Procedures and Protections; Approving Procedures for the Assumption and Assignment of Contracts and Leases; Scheduling Bidding Deadline, Auction Date, and Sale Hearing Date; and Approving Form and Notice Thereof* [Dkt. No. 205] (the “Bidding Procedures Order”),² the debtors and debtors in possession (together, the “Debtors”) conducted an auction (the “Auction”) on August 23, 2016 at 10:00 a.m. (CT) in the Houston offices of Bracewell LLP, 711 Louisiana Street, Suite 2300, Houston, Texas 77002 for the Debtors’ Gulf Coast Assets, Wyoming Assets, and Alaska Assets (each, a “Lot”).

PLEASE TAKE FURTHER NOTICE that at the conclusion of the Auction, the Debtors determined in their reasonable business judgment after consultation with the Official Committee of Unsecured Creditors that Big Muddy Opportunities, LLC (“Big Muddy” or the “Successful Bidder”) submitted the highest and best Qualifying Bid for the Lot of the Debtors’ Wyoming Assets with a cash bid of \$1,900,000 (the “Successful Bid”).³

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtors’ federal tax identification number, are: Linc Energy Finance (USA), Inc. (6684); Linc USA GP (5234); Linc Energy Resources, Inc. (9613); Linc Gulf Coast Petroleum, Inc. (6790); Linc Energy Petroleum (Louisiana), LLC (1074); Linc Alaska Resources, LLC (2362); Paen Insula Holdings, LLC (1681); Linc Energy Petroleum (Wyoming), Inc. (9859); Diasu Holdings, LLC (9626); Diasu Oil & Gas Company, Inc. (8926); and Linc Energy Operations, Inc. (5806).

² Capitalized terms used but not otherwise defined herein shall have the meaning ascribed to them in the Bidding Procedures Order.

³ The Successful Bidder also agreed to close within 14 days of the Bankruptcy Court’s entry of an order approving the sale of the Debtors’ assets (the “Sale Order”).

PLEASE TAKE FURTHER NOTICE that at the conclusion of the Auction, the Debtors determined in their reasonable business judgment after consultation with the Official Committee of Unsecured Creditors that the Stalking Horse Bidder, Arctic Acquisition, Inc. (“Arctic” or the “Back-up Bidder”) submitted the next highest and best Qualifying Bid for the Lot of the Debtors’ Wyoming Assets with a credit bid of \$2,500,000. (the “Back-up Bid”).⁴

PLEASE TAKE FURTHER NOTICE that pursuant to the Bidding Procedures Order, a hearing will be held before the Honorable David R. Jones of the United States Bankruptcy Court for the Southern District of Texas on August 31, 2016, at 2:00 p.m. (CT), at which the Debtors will seek entry of an order approving and authorizing, among other things, the sale of the Wyoming Assets to the Successful Bidder in accordance with the terms of the Asset Purchase Agreement between the Debtors and the Successful Bidder.

Respectfully Submitted,

BRACEWELL LLP

By: /s/ Jason G. Cohen

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**COUNSEL FOR THE DEBTORS AND
DEBTORS IN POSSESSION**

⁴ The Back-up Bid consisted of \$2,475,000 in credit towards the Debtors’ prepetition indebtedness and \$25,000 in credit towards the Debtors’ DIP indebtedness.